

TESTIMONY OF THE CHARLOTTE HUNGERFORD HOSPITAL SUBMITTED TO THE

STATE OF CONNECTICUT APPROPRIATIONS COMMITTEE

HB 5044, An Act Making Adjustments To State Expenditures For The Fiscal Year Ending June 30, 2017

February 11, 2016

GOOD EVENING. MY NAME IS DAN McINTYRE, THE PRESIDENT OF THE CHARLOTTE HUNGERFORD HOSPITAL IN TORRINGTON, CT SERVING 120,000 LIVES IN NW CT. I AM HERE TONIGHT TO TESTIFY ON BEHALF OF ALL THOSE WE EMPLOY AND SERVE AND SHARE OUR CONCERNS REGARDING THE GOVERNOR'S PROPOSED BUDGET FOR FY 17 AS IT IMPACTS HOSPITALS AND HOSPITAL CARE. THANK YOU FOR ALLOWING ME TO SHARE MY THOUGHTS WITH YOU.

I am proud to share that 2016 marks the 100th year that Charlotte Hungerford Hospital has served the people of northwest Connecticut. Today - we face rising costs, reduced funding, and numerous complicated challenges in our rapidly changing healthcare marketplace. However - we remain thoroughly committed to preserving our ability to achieve our original Mission: *To provide access to excellent, affordable healthcare to all the people in need in our community.*

In Northwest Connecticut, our demographic market has always consisted of Patient populations (Elderly, Uninsured, and Under-insured) that rely very heavily on Government Insurance programs.

Our Insurance payments have been continually reduced and taxed, for the last five consecutive years, lowering our annual Medicaid payments and overall operating income by over \$4,300,000 per year.

As the State keeps lowering these payments, we must constantly lower our expenses so that we can continue to operate as a Community Hospital.

Because our Industry's Patient Safety and Financial Auditors have always recognized us a high quality, very efficiently run Hospital, these continued payment reductions have placed us in a position whereby we cannot cut expenses any further without jeopardizing our ability to operate.

But as I have pointed out, we have been committed to serving the People of Northwest Connecticut for a century - and we plan on serving them for the next 100 years as well, however...

- Our Medicaid payments must be restored to their proper levels, in order for us to cover our intentionally low costs;
- The money that has been taken from us by an ill-founded and unfair tax must be returned to us;
- The Hospital tax must be discontinued immediately or phased out, going forward, and;
- Any new Medicaid payment system must reimburse us for our cost of providing care to our Medicaid Patients, instead of reimbursing us for a small fraction of our cost.

Thank you for considering these points and for protecting a foundational part of the state's health care system – its hospitals.

Daniel J. McIntyre, President and Executive Director